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FISCAL IMPACT STATEMENT

LS 6650

BILL NUMBER: SB 235

NOTE PREPARED: Mar 11, 2013

BILL AMENDED: Mar 11, 2013

SUBJECT: Video Service Providers.

FIRST AUTHOR: Sen. Holdman

FIRST SPONSOR: Rep. Koch

BILL STATUS: CR Adopted - 2nd House

FUNDS AFFECTED: **GENERAL**
 X DEDICATED
 FEDERAL

IMPACT: State

Summary of Legislation: (Amended) The bill amends the required contents of the annual report of the Indiana Utility Regulatory Commission's (IURC) to the Regulatory Flexibility Committee concerning video service. It authorizes the IURC to grant direct marketing authority to a holder of a certificate of video service franchise that satisfies certain requirements.

Effective Date: July 1, 2013.

Explanation of State Expenditures: (Revised) *IURC Annual Report:* Current statute requires the Regulatory Flexibility Committee to monitor competition in the telecommunications industry in Indiana. It also requires the IURC to prepare an annual report to be presented to the committee. It provides the guidelines for preparing the annual report. The bill removes the requirement that the IURC must include the “effects of competition on the pricing and availability of video service in Indiana” and instead requires that it should include information on “programming and pricing options offered by video service providers to Indiana customers” in the annual report.

The IURC should already have the available data required to make the changes in the report. As a result, the bill should not have any impact on IURC’s expenditures.

(Revised) *Direct Marketing Authority:* P.L 27-2006 provided that after June 30, 2006, the IURC is the sole franchising authority for the provision of video service in Indiana. It required the IURC to issue video franchise authority and referred to the person receiving the authority as a “holder”.

This bill provides the authority to a holder to market any service or product offered by the holder directly to all households in a service area served by the holder. It provides guidelines to the holder to apply for the direct marketing authority. It requires the holder to provide specific information to the IURC about the employee to whom the holder will designate direct marketing authority.

The bill provides that if the application is complete and properly verified, the IURC shall issue an order granting the holder direct marketing authority. If the IURC determines that the application is incomplete or not properly verified, it requires the IURC to notify the holder of the deficiency and allow the holder to resubmit the application after correcting the deficiency. It provides that a holder that has direct marketing authority is not required to comply with any local ordinances or regulations concerning direct marketing authority that exceeds the provisions in the bill.

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: Indiana Utility Regulatory Commission.

Local Agencies Affected:

Information Sources:

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